



6/5/03

## FINAL PASSAGE

### **SB 379-84 (Bipartisan)**

A package of bills which provide for uniform processes for annexation and detachment for cities, townships, villages, general law villages, etc. Current law is antiquated and provides different means for each governmental district.

Support: Township Assn., Farm Bureau, Michigan Chamber of Commerce, Michigan Municipal League.

Oppose: Home Builders, Mayor of Holland, State Boundary Commission.

Senate Bill 379 would provide for a referendum or a negotiated agreement to the annexation to a city from a township of any territory with 100 or fewer residents.

- SB 379 passed [RC 185: 37 yes, 1 no (Kuipers)].

Senate Bill 380 would provide that territory could be detached from a village to a township only if the territory to be detached did not contain any real property owned by the village, except utilities and other facilities located within a public right-of-way; the territory were not annexed within the previous two years; and the detachment were approved by a majority vote of the qualified electors in the territory proposed to be detached, in the remaining portion of the village, and in the township.

- SB 380 passed [RC 186: 37 yes, 1 no (Kuipers)].

Senate Bill 381 would provide that a petition or resolution for annexation of territory in a township with 100 or fewer residents would be subject to the referendum and election process provided for in the Home Rule City Act.

- SB 381 passed [RC 187: 37 yes, 1 no (Kuipers)].

Senate Bill 382 would provide that the annexation of township territory with 100 or fewer residents would be subject to the applicable sections of the Home Rule City Act, the General Law Village Act.

- SB 382 passed [RC 188: 37 yes, 1 no (Kuipers)].

Senate Bill 383 would prescribe procedures for the annexation to a village of township territory with more than 100 residents.

- SB 383 passed [RC 190: 37 yes, 1 no (Kuipers)].

Senate Bill 384 provides for conformity in annexation and detachment in accordance with SB 379. It also would provide for a referendum on the annexation of township territory to a city or village.

- SB 384 passed [RC 189: 37 yes, 1 no (Kuipers)].

#### **SB 472 (Gilbert)**

This bill would clarify that the procedure for abandonment of a county road is the exclusive procedure by which a county road may be absolutely abandoned and discontinued. To abandon a road, the county board of road commissioners must, by a majority vote, pass a resolution that includes proof that it is in the best interest to abandon the road and provide an accurate description of the land. This resolution must be recorded in the register of deeds. Abandonment can be stopped by a petition of landholders.

- SB 472 passed [RC 191: 38 yes, 0 no].

#### **HB 4556 (BEIDA)**

This bill includes gambling winnings by non-residents, including winnings from casino and horse racing, as taxable income. These taxes would then be the same as those paid by residents. The bill is expected to raise \$8.8 million, \$6.5 million to general budget, \$2.3 million to School Aid Fund.

- HB 4556 passed with IE [RC 172: 34 yes, 4 no].

#### **HBs 4557-65 (DEMOCRATS)**

These bills, particularly House Bill 4561, are really about fairness in the tax code. It is believed that a significant number of non-resident partners of some businesses do not pay taxes on any income received from that entity. Many are simply unaware that they owe money, while others may knowingly ignore financial obligations to the state.

The bills simply seek to provide the Department of Treasury with the necessary tools and resources to ensure the payment of taxes owed by non-residents. This is accomplished by requiring flow-through entities to withhold the taxes required and encouraging them to file composite income tax returns. It should be noted that this process is standard practice in other states, only concerns the collection of income taxes, and does not create any new tax liability for non-resident members, partners, or shareholders of flow-through entities that operate in the state.

House Bills 4557-65 would generate an estimated \$2 million in additional income tax revenue in 2003-04, of which \$1.5 million would go to the General Fund/General Purpose budget and \$0.5 million would go to the School Aid Fund.

Support: Michigan Education Association, Michigan Federation of Teachers, Michigan Association of School Boards, Northern Michigan Schools Association, Oakland Schools.

#### **HB 4557 (FARRAH)**

- HB 4557 passed with IE [RC 173: 34 yes, 4 no (GOP)].

#### **HB 4558 (CONDINO)**

- HB 4558 passed with IE [RC 174: 35 yes, 3 no].

HB 4559 (CONDINO)

- HB 4559 passed with IE [RC 175: 36 yes, 2 no (GOP)].

HB 4560 (ZELENKO)

- HB 4560 passed with IE [RC 176: 38 yes, 0 no].

HB 4561 (O'NEIL)

- HB 4561 passed with IE [RC 177: 34 yes, 4 no].

HB 4562 (ZELENKO)

- HB 4562 passed with IE [RC 178: 32 yes, 5 no].

HB 4563 (FARRAH)

- HB 4563 passed with IE [RC 179: 33 yes, 5 no].

HB 4564 (MINORE)

- HB 4564 passed with IE [RC 180: 36 yes, 2 no (GOP)].

HB 4565 (FARRAH)

- HB 4565 passed with IE [RC 181: 36 yes, 2 no (GOP)].

**HB 4567 (CONDINO)**

**HB 4568 (ZELENKO)**

**HB 4569 (FARRAH)**

These bills would generate an estimated \$2 million annually beginning in 2003-04. This revenue would come from the major taxes including the income, single business, sales and use taxes, and would be distributed as follows: an estimated \$1.5 million would go to the General Fund/General Purpose budget and \$0.5 million would go to the School Aid Fund.

House Bill 4567 would amend the revenue Act to provide that the members, managers, or partners of certain business entities would be personally liable for failure to pay a tax due.

- HB 4567 passed with IE [RC 182: 36 yes, 2 no (GOP)].

House Bill 4568 would amend the General Sales Tax Act remove current provisions that hold the officers of a corporation personally liable for failure to pay sales or use tax due. The bill would apply to returns and remittances due or filed on or after its effective date.

- HB 4568 passed with IE [RC 183: 36 yes, 2 no (GOP)].

House Bill 4569 would amend the Use Tax Act to remove current provisions that hold the officers of a corporation personally liable for failure to pay sales or use tax due. The bill would apply to returns and remittances due or filed on or after its effective date.

- HB 4569 passed with IE [RC 184: 36 yes, 2 no (GOP)].

## THIRD READING

**SB 230 (BERNERO)**

SB 230 amends current law to allow for condemned, vacant and/or boarded buildings, specifically in the core cities, to be demolished after 24 months. (Currently, some designated buildings have been awaiting demolition for 10 years.) The bill provides that they may, not must, be demolished after 24 months.

Support: Michigan Municipal League, Realtors, Michigan Township Association, SEMCOG.

- Committee 1 (S-1) was adopted [no RC].
- SB 230 was moved to 3<sup>rd</sup> Reading.

### **HB 4083 (SHELTROWN)**

The bill would require the State to subordinate its interest in a recorded farmland development rights agreement (FDRA), or an open space development rights easement, to a subsequently recorded mortgage lien, lease, or interest, under certain conditions. This would provide an affected landowner with the opportunity to refinance an existing mortgage or seek a new mortgage without the interference of the state's interest in the property.

Support: Michigan Department of Agriculture, Michigan Farm Bureau.

- Committee 1 (1 amend) was adopted [no RC]. Technical change.
- HB 4083 was moved to 3<sup>rd</sup> Reading.

### **HB 4087 (Moolenaar)**

HB 4087 would allow small well owners to submit complaints to the Department of Environmental Quality or to Michigan Department of Agriculture – for an agricultural complaint - if the small quantity well has failed to furnish the well's normal supply of water or potable water and the owner has a credible reason to believe the well's problems are due to a high capacity well.

The effective date of the act would require the DEQ to identify 2 counties in the state and the act would only be administered in those 2 counties (the counties are presumed to be Saginaw and Monroe). The act would go statewide July 1, 2004.

DEQ estimates the bill will cost \$1.5 million dollars for the state to investigate, settle, etc. these complaints..

Support: Jonesfield Township, Commissioner Robert Blaine (Saginaw County), Commissioner Suzanne Derry (Gratiot County), Saginaw County Health Department, Lakefield Township Supervisor, Marion Township Supervisor, National Wildlife Federation, Michigan Chamber of Commerce, Michigan Manufacturers Association, Consumers Energy, Trout Unlimited.

Oppose: DEQ, Potato Growers Association, Michigan Townships Association (unless municipal water systems are excluded from the bill).

- Committee 1 (S-3) was defeated [no RC].
- Birkholz 2 (S-4) was adopted [no RC]. This sub. makes it easier for complaints to be settled.
- HB 4087 was moved to 3<sup>rd</sup> Reading.

### **HB 4310 (Meyer)**

House Bill 4310 amends the Grain Dealers Act by providing an exemption to the Freedom of Information Act for anyone reporting a violation, or an alleged violation of the Act.

Support: Michigan Department of Agriculture, Michigan Farm Bureau.

- **HB 4310 was moved to 3<sup>rd</sup> Reading. No amendments.**

### **HB 4511 (Pappageorge)**

The bill would: 1) Extend the period of time that the Joint Committee on Administrative Rules (JCAR) has to consider a proposed rule. 2) Extend the period of time that a notice of objection stays the ability of the Office of Regulatory Reform (ORR) to file a rule. 3) Extend the time period for JCAR to consider a resubmitted rule. 4) Require the ORR to publish an agency's report on its website. 5) Require an agency to transmit or mail a copy of a proposed rule to people who presented data on the rule.

Support: Michigan Municipal League.

Opposed: Granholm administration -- The extended time requirements make a long process even longer. Giving the legislature the added review time could greatly hinder an agency's ability to effectively carry out its functions.

- **Committee 1 (1 amend) was adopted [no RC]. This defines the term "session day," as it relates to legislative session.**
- **HB 4511 was moved to 3<sup>rd</sup> Reading.**

## **RESOLUTIONS**

### **HCR 9 (SHELTROWN)**

A concurrent resolution to memorialize the Congress of the United States to enact legislation to provide for tariff rate quotas to deal with the importation of dry milk protein concentrates.

- **HCR 9 was adopted [no RC].**

### **HCR 10 (SHELTROWN)**

A concurrent resolution to urge the United States Customs Service to work for greater enforcement of food safety standards by reconsidering the classification of dairy products, especially those containing milk protein concentrates.

- **HCR 10 was adopted [no RC].**

### **HCR 11 (SHELTROWN)**

A concurrent resolution to memorialize the Congress of the United States to enact legislation that will address the issue of the improper labeling and classification of dairy products.

- **HCR 11 was adopted [no RC].**

### **SR 93 (Patterson)**

### **SCR 24 (Bishop)**

A resolution to memorialize the Congress of the United States to enact legislation to regulate spam, unsolicited commercial email.

“An increasing problem to individuals and businesses using email is the growing volume of unsolicited commercial email messages. What started as an annoyance has become a major problem for many, with estimates of several billion unsolicited messages sent every week. The cost of this mail, both in lost worker time and adding computer equipment to process or block the spam, is an increasing burden for those receiving spam, while the costs to senders are negligible . . .

Many states, including Michigan, have discussed ways to cope with the onslaught of unsolicited commercial messages. Congress has also faced this issue. Numerous approaches have been mentioned. These range from requiring truthfulness in return addresses to efforts to increase vigilance against fraud to the creation of “do-not-spam” lists. While the appropriate form of federal response may take one of these or other strategies, it is increasingly clear that federal action is essential and holds far more promise of dealing with the problem effectively than state actions alone.”

SR 93:

- Patterson 1 (1 amend) was adopted [no RC]. This adds the word “bulk” inadvertently left out of the substitute.
- SR 93 was adopted [no RC].

SCR 24:

- Patterson 1 (1 amend) was adopted [no RC]. This adds the word “bulk” inadvertently left out of the substitute.
- SCR 24 was adopted [no RC].